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THE

Canada Consolidated Gold Mining Co.

REPORT OF PROGRESS TO THE STOCKHOLDERS.

The EDITH *and* LORNE PIERCE
COLLECTION *of* CANADIANA



Queen's University at Kingston

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Prof. Smith Lyman
Northampton, 2/7/81
THE

CANADA CONSOLIDATED GOLD MINING CO.

REPORT OF PROGRESS TO THE STOCKHOLDERS,

BY

THE SECRETARY, JAMES W. LOVERIDGE;

AND BY

RICHARD P. ROTHWELL, CONSULTING ENGINEER.

NEW YORK,

June, 1881.

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L.P. HD 9536. U54 C37.

THE CANADA
CONSOLIDATED GOLD MINING COMPANY,

Organized under the General Laws of the State of New York.

CAPITAL STOCK, . . . 300,000,

IN SHARES OF \$1 EACH, FULLY PAID AND UNASSESSABLE.

LOCATION OF MINES, MARMORA, ONTARIO, CANADA.

NEW YORK OFFICE: Room 59 Smith Building, No. 5 Cortlandt Street.

CONSULTING ENGINEER, RICHARD P. ROTHWELL,
Civil and Mining Engineer.

SUPERINTENDENT OF MINES, ERNEST GAUJOT, M.E.

TRUSTEES:

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|---|---------------------------------------|
| HENRY LOVERIDGE, <i>President</i> , 104 Broadway. | AUSTIN GALLAGHER, 5 Cortlandt Street. |
| WILLIAM H. DOUGHTY, Troy, N. Y. | J. R. RAND, 21 Park Row. |
| N. B. WALKER, 235 Water Street. | WALTER SHANLY, Montreal. |
| CYRUS BUTLER, 24 Cliff Street. | |
| J. W. LOVERIDGE, <i>Secretary and Treasurer</i> . | |

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REPORT OF PROGRESS.

To the Stockholders of the Canada Consolidated Gold Mining Company.

At the annual meeting in January last, it was ordered that, as soon as a proper adjustment of the Company's affairs was arrived at and intentions changed into facts, a statement should be issued and each stockholder furnished with a copy thereof. In pursuance of this direction, the following is respectfully submitted for your consideration.

Hitherto, the operations of this Company have been confined to the preliminary steps found to be necessary in the early stage of all such enterprises. Stock had to be sold; transfers of property examined; meetings of companies selling out their properties to this one brought about; contracts for machinery considered; the opening up of the mine attended to, and, generally, such a pushing along the whole line as to bring the affairs of the Company into order and unity.

Of the stock sold through the Bank of Montreal, it is pleasant to be able to say that every share has been paid for; not a single purchaser being in default on the final payment.

A sale of the working capital stock has been arranged, and it is being taken up as rapidly as the requirements of the Company demand.

Contracts have been made for all important machinery required to complete the Company's reduction-works at the earliest possible moment; and if these contracts are fulfilled by the responsible firms who have taken them, ore-treatment

will probably begin in September or, at the latest, in October next.

The construction of a mill capable of treating 125 tons of ore a day is at present going on, and on such a plan that the increase of its capacity to 250 tons a day will require a comparatively small additional outlay.

The properties heretofore owned by General J. M. Tuttle, R. P. Rothwell, Trustee, Messrs. Devine, Auger, and Christies, and the Gatling Gold and Silver Mining Company, are now the property of this Company. They have been fully paid for, and transfers properly executed.

On the Hawkeye Gold Mining Company property, a payment has been made on account, leaving a balance due of \$5000, which was withheld by advice of counsel until certain additional forms had been complied with. Payment of this balance, which bears no interest, will probably be made by the first of August next, and result in giving this Company clear title to every acre of land mentioned in its prospectus.

For a statement of progress at the mines up to a late date, reference is made to the appended report of Mr. R. P. Rothwell, the Consulting Engineer of the Company.

In conclusion, a suggestion to the stockholders may not be out of place. It is hoped that, during the coming summer, many of them will find their way to Marmora, Ontario, there to see for themselves the value of their property and the method of its development. The mines are easily reached from Belleville, Ontario, from whence a branch railroad runs to Madoc, twelve miles from Marmora, where a carriage must be taken. A pleasanter way is to stop over night at Belleville, and proceed the next morning by carriage (thirty-six miles). There are several good hotels at Belleville, the Dafee House being the best and nearest to good livery. The cost of living and horse-hire in Ontario is very reasonable.

Respectfully,

JAMES W. LOVERIDGE,

Secretary.

NEW YORK, June 3, 1881.

REPORT OF THE CONSULTING ENGINEER.

NEW YORK, June 3, 1881.

To the Board of Trustees of the Canada Consolidated Gold Mining Company:

GENTLEMEN: At the request of the Executive Committee of your Board, I beg to make the following brief report upon the work being done at your mines; and other matters which naturally come under my personal knowledge.

The operations at your mines have been carried on since January last by the Company's resident Superintendent, Mr. E. Gaujot; and though delays have occurred in getting machinery as soon as it was expected and promised, yet a large amount of work has been done both in the mines and upon the surface.

Work has been carried on almost continuously in the four levels of the deep shaft; these have been always in good ore, and at the date of my recent visit (May 17-22), the proportion of sulphurets in each face was above the average in the rock extracted while I was making my tests previous to the purchase of the property. Thus far, the developments have fully confirmed our anticipations, and we have to record up to this time the unusual fact that no portion of the shafts or levels has ever been out of pay-ore. The deep shaft has been timbered in the most substantial manner with a man-way and pump-way separate from the hoist-way, and provided with ladders arranged in first-rate, workmanlike manner. The timbers for the track were ready for the steel rails then expected daily at the mines.

A substantial shaft-house was in place and hoisting-engines in position at both the deep shaft and the Tuttle shaft.

The boiler for the Tuttle shaft engine was then on the road to the mines, and has since reached there, as have also the rails for the deep shaft and the tramway from the shafts to the mine.

The large Rand Compressors were in position in the old Gatling mill, the engines for which are used to drive them. The pipes for carrying air from the compressors to the different shafts were on the ground and being connected. Mr. Gaujot reports them in position and the rock-drills in operation. The compressors will have sufficient capacity, with the large air-receivers already provided, to run twelve drills. The drills will be used in driving the four levels, sinking two shafts, and driving a cross-cut to intersect some of the other veins. In a short time, two more levels will be opened in the Tuttle shaft, and stopes will be prepared in the several levels, so that the work of supplying the mill will be easily performed.

A large store-house, mine captain's office, and other convenient buildings have been erected and work commenced upon the foundations of five blocks, giving ten large miners' houses. The plans and specifications were prepared for a brick office building, superintendent's house, and store. A large amount of brick, stone, lumber, and timber of all kinds was accumulated on the ground, and the company's brick-yard was in full operation, brick being molded, burnt, and delivered at a cost of about \$4 per thousand. A large amount of excellent building stone was quarried and delivered for the foundations of the new mill at a cost of from \$1.75 to \$2 per cord of 128 cubic feet. About 1500 cords of excellent hard wood are on the ground at a cost to the company of about \$1.20 per cord (average). The greater part of the timber for the new mill buildings is on the ground, and the carpenters were then ready to commence framing.

The water accumulated by the dam built last summer can be conveyed to the new mill by a flume of four or five hundred feet in length, and it will there have a fall of about 21 feet. The machinery for the concentrating works is under contract, and the last of it will be shipped at the beginning of

August. This machinery will have a capacity of from 125 to 150 tons per day, and the engine provided to supplement the water-power in the dry season will be sufficient for double the present works.

Every thing about the works and mines is being done in a most substantial and economical manner, and under the direction of experienced practical men, at the head of whom is your Company's most efficient Superintendent, Mr. Gaujot.

During my recent visit to Europe, I examined into the question of the arsenic markets ; and without entering into details, I may say that I find there will be no difficulty whatever in marketing all the arsenic the Company can produce, and at figures which will render it a much more profitable product than I had estimated. The plans for the roasting-furnaces and chlorination-works are now under consideration, and the work will be ready as early as the completion of the concentrating mill.

Respectfully submitted,

R. P. ROTHWELL,
Consulting Engineer.